

# Congress of the United States

Washington, DC 20515

October 30, 2003

## ***H.R. 2896 is Pro-Manufacturing, Pro-Jobs, Pro-American Tax Reform***

Dear Republican Colleague:

This week the Ways and Means Committee favorably reported the *American Jobs Creation Act of 2003*. This legislation is the best mechanism to avoid \$4 billion of retaliatory tariffs to be levied upon roughly 1,600 American products ranging from textiles to agriculture. We urge you to support this legislation.

Our goal in addressing the looming decision of the World Trade Organization (WTO) should be twofold. First, it should put us in compliance with the WTO by repealing the *Extraterritorial Income Exclusion Act* (ETI). Second, it must be a powerful replacement to ETI ensuring the competitiveness of American companies in the global marketplace. The *American Jobs Creation Act* is a superior way to achieve these goals.

Our corporate tax code is outdated. Congress has failed to change it in over 40 years. Struggling domestic manufacturers pay much more in taxes than their foreign competitors, putting them at a serious competitive disadvantage. The U.S. corporate tax rate is the second highest of any developed nation. This bill directly and ambitiously addresses that by reducing the rates on American production. The bill also makes a number of changes to the tax code, which currently acts to severely disadvantage American employers when competing in the global marketplace.

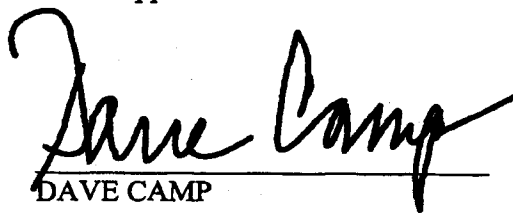
Some may argue that now is not the time for tax reform. We disagree. We must not squander the opportunity ETI repeal provides us to make American corporations more competitive. While a stronger, more comprehensive tax bill is needed to fully reform our corporate tax code; this modest legislation will at least start us down the road to leveling the playing field for American employers and their employees.

We urge you to support the *American Jobs Creation Act* because it bolsters American job creation and retention unlike other, narrower approaches.

Sincerely,



PHIL ENGLISH  
Member of Congress



DAVE CAMP  
Member of Congress